

**GOVERNMENT OF INDIA
AGRICULTURE AND FARMERS WELFARE
LOK SABHA**

UNSTARRED QUESTION NO:2114

ANSWERED ON:29.11.2016

Prices of Onion

Deo Shri Arka Keshari

Will the Minister of AGRICULTURE AND FARMERS WELFARE be pleased to state:

(a) whether the wholesale price of onions has fallen to Rs. 2/- per kilogram during the month of August and September this year and if so, the reasons therefor;

(b) whether the super market rate of onion is still at about Rs. 15/- to 20/- per kg and if so, the reasons for such a wide gap between the wholesale price and the super market price of onion in the country; and

(c) the proposed plan of the Government to stabilize onion price in future?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE AND FARMERS WELFARE

???? ??? ????? ??????? ????????? ??? ????? ??????? (SHRI S.S. AHLUWALIA)

(a) & (b): As per the AGMARKNET data, the average wholesale price of onion was Rs.1235/- per quintal and Rs.1054/- per quintal during the months of August and September, 2016 respectively. Prices of onion fell during this period due to higher production. Monthly average wholesale and retail prices of onions for the months of August and September, 2016 at four Metro cities are as under :

(Rs. per kg.)

cities August, 16 September, 16

Wholesale Retail Wholesale Retail

Chennai 10 16 10 15

Delhi 8 22 7 21

Mumbai 8 17 6 18

Kolkata 13 19 13 19

Source: Deptt. of Consumer Affairs.

The gap between wholesale and retail price depends on factors such as transportation cost, loading/ unloading expenses, grading/sorting, wholesaler's margin, wastages during movement/weighing, location of retail shops, fixed overhead expenses of retailers and margin of retailers etc.

(c): The Government through 'Market Intervention Scheme (MIS)' may provide support prices to farmers in case of glut in production and resultant fall in market prices, based on the proposal/request of State Government. In addition, Price Stabilisation Fund (PSF) may also be used to procure onions for subsequent release to control the volatility in its prices.
